# CITY OF St. John's

# Annual Report 2005

2008-05773/

# St. John's by Numbers

## Economic Indicators
### St. John's Metro

| Indicator | 2005 | Change 2004 - 2005 |
|---|---|---|
| Real GDP *(1997 $M)* | 7,271 | 1.0% |
| Personal Income *($M)* | 5,703 | 5.4% |
| Retail Trade *($M)* | 2,526 | 10.5% |
| Housing Starts | 1,534 | -16.4% |
| CPI *(1997=100)* | 116.5 | 2.9% |
| Employment | 90,300 | 0.2% |
| Unemployment Rate | 8.9% | 0.0 pts |
| Labour Force Participation Rate | 65.9% | 0.2 pts |
| Population | 182,485 | 1.4% |

**Source:** Statistics Canada; CMHC; Department of Finance, Gov't. of Newfoundland and Labrador

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100 New Gower Street
St. John's, NL A1C 6K3

# A City of Volunteers

Volunteerism is essential for the social, economic and cultural well-being of people and communities. Volunteers have a direct impact on many aspects of day-to-day life, including health, education, arts and culture, sports and recreation.

Volunteers with the City of St. John's contribute to many areas of operations, from dog walkers with the Humane Services Division and assistance in the delivery of recreational and leisure programs, to volunteer fire fighters and the St. John's Clean and Beautiful initiative, to name a few. In 2005, 150 volunteers contributed to the tremendous success of the Federation of Canadian Municipalities (FCM) Annual Conference, the largest convention ever held in the province of Newfoundland and Labrador. In recognition of the contribution of volunteers to the City, a reception is held yearly during National Volunteer Week.

The City of St. John's continues to lay the framework for what we hope will be a great investment in volunteerism. Volunteers, partners, and City staff will continue to strive to make St. John's a better place to live and work. Through the pages of the 2005 Annual Report there is a spotlight on volunteers.

National Child Day celebrations in the City of St. John's

Mary Queen of Peace - Grade 6 clean-up

City Ambassador assisting passengers from the cruise ship *Norwegian Dream*

# Message from the Mayor

City of St. John's
City Hall
P.O. Box 908
St. John's, NL Canada
A1C 5M2

I am pleased to provide you with the City of St. John's 2005 Annual Report which documents our financial picture and highlights many of the programs, services and projects City staff have been providing over the past year.

The economy of the St. John's metro area continued to expand in 2005, with economic growth of approximately one per cent. The construction industry continued to perform well due to strong growth in home renovation activity and non residential investment. Capital investment remained strong with a total of 4,659 building permits issued by the City totaling over $218 million.

The City administered its annual operating and capital budget of nearly $166 million in 2005 and continued its pay-as-you-go policy for capital works financing. This diligence has resulted in a reduction in debt servicing charges and an increase in capital expenditures. In 1990, the City spent 21 cents of every dollar on debt financing. In 2005, less than 11 cents was paid towards debt servicing.

The year 2005 saw significant investment in City infrastructure with the start of a three year capital works agreement with the Provincial Government which will see the completion of over $20 million of capital projects on a 50/50 basis. One hundred and twenty-six streets were rehabilitated under the Streets Rehabilitation Program, a $4.5 million investment. Construction also began on the Shoal Bay Road Water & Sewer project valued at $4.7 million. The $3.4 million upgrading of the King George V soccer complex to international standards was also started in 2005. Site excavation was completed on the Harbour Clean-Up project in 2005 as well.

In 2005, St. John's hosted the Federation of Canadian Municipalities (FCM) annual conference, the largest conference to be held in the City. Over 2,900 delegates, companions and trade show exhibitors attending the conference contributed $3.7 million to the local economy. The success of this event was due in large part to the dedication of City staff and volunteers.

As always, I would like to commend the dedication and commitment of our volunteers and our more than 1,100 staff for their continued diligence in delivering excellent service to the citizens of St. John's. Working together, we will continue to deliver on our mission of providing services in "...in a courteous, expeditious, professional and cost effective manner."

Andy Wells
Mayor

# Improving Services to Citizens

Citizen focused service delivery is a concept that has come of age. Major cities throughout Canada are in various stages of implementing this approach and the City of St. John's is quite proud to have turned the concept into a reality. Access St. John's is a reflection of the City's commitment to quality, one-stop service delivery through a 24/7/365 call centre, an interactive website, and an integrated front counter service.

Access St. John's Service Centre experienced a high level of activity during 2005. The Centre accepted nearly $39 million in payments for taxes, permits and fees and handled over 180,000 citizen requests as follows:

- Calls Answered .....113,017
- Electronic Entries Processed .....60,882
- Front Counter Activity .....8,026

## 2005 Award Nominations

The City of St. John's was recognized by the Institute of Public Administration of Canada for its innovative approach in implementing its "one stop shopping" concept. There were sixty-nine submissions for this award, and the City was extremely proud to have placed in the top eight.

Access St. John's was also nominated for the Willis Award for Innovation for municipalities with a population over 20,000. The City of St. John's was recognized as an excellent example of leadership with respect to the implementation of its Citizen Service Strategy.

### Did you know?

- The Office Services Division processed 85,606 pieces of incoming mail and 141,065 pieces of outgoing mail
- 219,215 photocopies were made for non-profit groups in 2005
- Assessments were completed for approximately 43,000 accounts, including 36,000 residential properties, 2,000 commercial properties and 5,000 businesses
- Information Services maintains the City's 625 computers and 200 printers

### Volunteers

- 20 citizens volunteered their time on advisory Committees of Council such as the Heritage Advisory, Arts Advisory, and the Mayor's Advisory Committee on the Status of Persons with Disabilities

# Keeping Buildings Safe

Photo courtesy of The Telegram

Various permits are required for the repair, construction, addition and renovation of commercial and residential buildings. Permits, once issued, allow for the necessary follow-up inspection to ensure that work is undertaken according to the proper national code or standard. The Department of Building and Property Management is responsible for building inspections in St. John's.

Building inspections protect the public and individual citizens by ensuring that a new house, for example, is built properly; that the structural components are adequate for the house design; that the electrical wiring is safe from the service mast to the outlet; that the plumbing system delivers water properly and safely removes wastes; and that the home provides adequate protection from weather.

This service is provided not just for homes, but shops, schools, theatres . . . all buildings within the City limits. In 2005, 22,309 inspections were carried out.

## Animal Care and Adoption Centre

The City of St. John's Animal Care and Adoption Centre was officially opened in January 2005 at 81 Higgins Line. The state-of-the-art facility provides an excellent working environment for employees and an exceptional living environment for the animals. The construction of the building, valued at $2.3 million, is 85 per cent larger than the former facility. In 2005 the Animal Adoption Division aided in the adoption of 386 animals. In addition, Humane Service Officers responded to and investigated complaints of animal abuse, excessive barking, roaming or injured animals, as well as other animal related activities.

## Volunteers

In 2005, approximately 40 people volunteered their services to the Division either by providing dog walking services or assisting in the pet therapy program. The Pet Therapy program offers residents of various seniors home the opportunity to visit the Centre and interact with the animals. As well, the City has a partnership with Academy Canada where students from the Animal Care Program job shadow at the facility once a week during the duration of their course and once finished, two students complete a work-term with the Humane Services Division.

# Investing in Infrastructure

On an annual basis, the City of St. John's invests in a variety of strategic infrastructure projects.

2005 was the first year in a three year capital works agreement with the Government of Newfoundland and Labrador which will see the completion of over $20 million of capital projects on a cost shared basis.

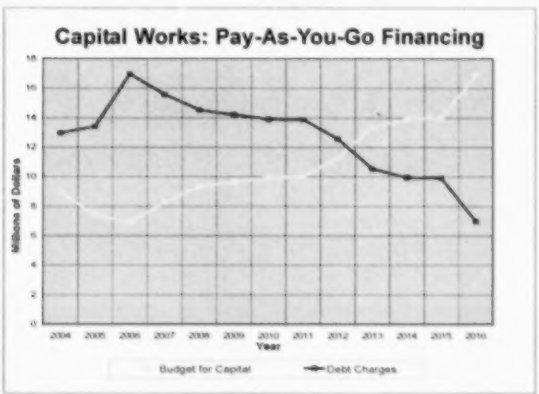
2005 saw the continuation of two environmental projects. Over $13 million was spent on the $100 million Harbour Clean-Up project with the completion of site excavation. As well, construction continued on the $31 million membrane filtration water treatment facility at Windsor Lake.

In 2005, $4.5 million was spent on the Streets Rehabilitation Program. One hundred and twenty-six streets were rehabilitated and traffic signals were upgraded at 26 intersections.

Construction began on the Shoal Bay Road Water & Sewer valued at $4.7 million. This project involved the installation of sanitary and storm sewer in Main Road from Ryan's Place to Shoal Bay Road, as well as, sanitary sewer, storm sewer, and water main installation in Shoal Bay Road. This project was partially funded through a cost-sharing agreement with the Government of Newfoundland and Labrador.

Construction began on the $3.4 million upgrading of the King George V soccer complex to international standards. This cost-shared project between the City, ACOA and the St. John's Soccer Association, includes construction of a new change room facility, installation of public washrooms, construction of bleacher seating to accommodate 6,000 people, and installation of an artificial surface field.

Construction was completed on the $760,000 *Northwest Rotary Skatepark* in 2005. This cost-shared project between the Rotary Club of St. John's Northwest, the City, and ACOA involved the design and construction of a concrete skate board facility at Mundy Pond Park, the largest of its kind in Atlantic Canada. The facility is a radical 16,600 square foot concrete park that offers bowl and street skating/riding obstacles for skateboarders, inline skaters and BMX riders.




## Capital Works: Pay-As-You-Go Financing

The City of St. John's has adopted a "pay-as-you-go" approach to capital works financing, borrowing for capital projects only when at least 50 per cent is cost shared by other levels of government or other community groups approved by Council. The result has been a reduction in debt servicing charges and an increase in capital expenditures. In 2005, the City's capital budget from revenue was $7.4 million with debt charges of $13.4 million.

# Our Growing City

The Department of Planning received approximately 450 development applications in 2005. A number of these applications involved significant residential and commercial projects, including the development of new large retail projects on Stavanger Drive and Kelsey Drive, the redevelopment of floor space in the Avalon Mall for Sears and Winners outlets, and additional residential developments in the Southlands, Kenmount Road, and Clovelly Trails areas. In addition, the Department of Planning held 20 public meetings and hearings to deal with applications for rezoning to permit new commercial and residential developments in 2005.

The City, in cooperation with the George Street Association, commissioned the PHB Group Inc. to carry out a design study for George Street in 2005. The aim of the study is to improve the physical layout of the street, provide more opportunities for pedestrian activity, and improve the layout of Prince Edward Plaza and its stage to create opportunities for a wider range of activities on the street. Public consultation on the design study is anticipated to take place in late 2006.

### Volunteers: Keeping St. John's Clean

St. John's Clean and Beautiful (SJCAB) is a non-profit, volunteer organization that promotes environmental stewardship, recycling and litter reduction in the City.

St. John's Clean and Beautiful was established by City Council in 1991 as the lead agency to work with associations, groups, neighbourhoods, schools and businesses, in promoting a clean and beautiful city.

Keep
St. John's
Clean & Beautiful

Since 1991, over 85,000 volunteers have invested nearly 200,000 hours towards making St. John's a cleaner city. Over the years SJCAB has received a number of awards with the most recent being the Presidents Circle Award from Keep America Beautiful. This award recognizes high performance achieved by an affiliate member according to Keep America Beautiful's Standards of Excellence.

# Public Safety

The St. John's Regional Fire Department (SJRFD) is responsible for providing the St. John's metro area with fire and emergency protection. Services provided to the public include, but are not limited to: fire suppression, fire prevention, vehicle and medical response, hazardous materials response, high angle and confined space rescue, water surface rescue and helicopter rescue. The SJRFD also provides emergency medical backup to the Health Care Corporation upon request. The SJRFD carries service contracts with four of six outlying jurisdictions: Torbay, Logy Bay-Middle Cove-Outer Cove, Conception Bay South (CBS) and Witless Bay. In 2005, the 164 full-time and 35 recruit firefighters responded to 4,211 emergencies and alarms.

## Fire Prevention Division

The Fire Prevention Division of the SJRFD is responsible for fire prevention and fire safety in the St. John's Region. This mandate is fulfilled through a number of prevention programs, which include fire safety code inspections and enforcement, public awareness and public education. Fire Prevention Inspectors perform fire and life safety inspections on all buildings such as public assembly facilities, daycare centers, healthcare units, hotels, apartment buildings and business and mercantile establishments. These inspections entail checking fire prevention features such as means of egress, interior finish requirements, emergency lighting, exit lighting, sprinkler and alarm systems and portable fire extinguishers.

The Division is also actively involved in the education process in schools, hospitals, nursing homes and other occupancies, which require assistance. Emphasis in these areas is placed on fire safety training for staff members and fire evacuation planning. In 2005, the Division performed 1,798 inspections, participated in 30 fire drills, conducted 67 training lectures on fire safety and visited 51 schools to discuss the *Learn Not to Burn* program in addition to other duties.

### Goulds Volunteer Fire Department

**The Goulds Volunteer Fire Department, consisting of 24 volunteer firefighters, respond from the Goulds Fire Station 4:00 p.m. to 8:00 a.m. Monday to Friday and during weekends. The Department provides emergency response service within their geographic area of responsibility.**

# Municipal Services

The City of St. John's is committed to providing public works and parks services economically and efficiently.

In 2005 a major site upgrade was completed at the Municipal Depot on Blackmarsh Road to provide a more efficient layout for the storage of equipment. Employees of the Department of Public Works & Parks maintained 1,330 lane-kilometres of roads, traffic signs, and lights and cleared city streets of snow and ice (workers spread 19,491 tonnes of salt and 1,846 tonnes of sand to control street icing). A total of 493 kilometres of water mains and 755 kilometres of sanitary and storm sewer mains were attended. In addition, 1,175 sewer lateral blockages were cleared, 76 sewer laterals were exavated, and there were 116 water lateral excavations. Sixty water main breaks were repaired, 173 blocked sewer mains were flushed and there were 16 main sewer repairs.

Parks staff maintained 40 parks, 3060 hectares of open space, 87 playgrounds, 45 sports fields and 29 basketball and tennis facilities as well as managed 112 kilometres of trails and attended to more than 35,000 mature trees.

In addition:

- Department workers managed the Robin Hood Bay landfill as a regional facility for the Northeast Avalon and Conception Bay North and collected 28,623 tonnes of garbage from 33,635 units.

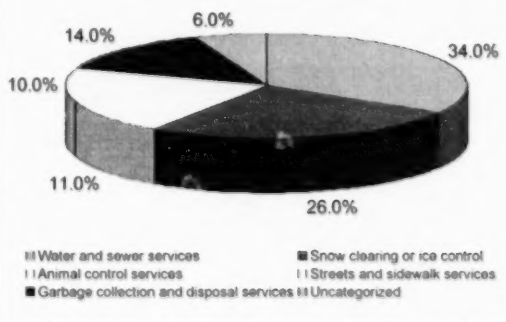
- A fleet of over 400 City vehicles was maintained.

To evaluate the performance of the Department, 298 questionnaires were sent to a random sampling of people who received a direct service and of those, 155 people (25.0%) replied. The Department was extremely pleased with the high satisfaction ratings.

**Summary of Service Evaluation Results**

| Item | 2005 Jan to Mar | April to June | July to Sept | Oct to Dec |
|---|---|---|---|---|
| Switchboard Operator: | | | | |
| Promptness | 2.8 | 2.8 | 2.8 | 2.9 |
| Attitude | 2.8 | 2.8 | 2.9 | 2.8 |
| Understanding of Problem | 2.8 | 2.8 | 2.8 | 2.8 |
| On-site Supervisor: | | | | |
| Attitude | 2.8 | 2.8 | 2.8 | 2.9 |
| Kept Informed of Progress | 2.9 | 2.8 | 2.9 | 3.0 |
| Work Crew | | | | |
| Attitude | 2.9 | 2.8 | 2.9 | 2.9 |
| Efficiency | 2.9 | 2.8 | 2.9 | 3.0 |
| General | | | | |
| Work Completed in a Timely Manner | 2.8 | 2.8 | 2.8 | 2.9 |
| Overall Rating of Service | 2.8 | 2.8 | 2.8 | 2.8 |

*(Maximum rating '3.0)*



# Building a Healthy Community

The City of St. John's offers its citizens a diverse selection of fitness, social and recreation programs. The Department of Recreation, in partnership with many volunteers and local corporate partners, have been able to provide many recreational and leisure activities in 2005, such as the St. John's youth soccer program.

## Volunteers: Supporting Youth and Seniors Programs

In 2005, volunteers and students dedicated a total of 5,465 hours with the Department of Recreation. The majority of the Department's volunteers are involved in general programs and special events for youth and seniors. Since 2001, the City of St. John's has implemented a Volunteer Screening Program. This process includes a criminal records screening check, reference check, and one-on-one consultations. This has proven to be very successful. The City has been proactive in assisting non-profit community groups and sport groups in introducing these screening practices.

With the dedication of many volunteers the Department of Recreation organized an Indoor House League Soccer Program in 2005. The Department continues to offer a year-round soccer program for the youth of St. John's in a recreational, non-competitive setting. The Recreational Outdoor Youth Soccer Program offered by the City requires 150 volunteers to deliver the program.

## Highlights:

- 830 youth were placed in the R.E.A.L. program, an initiative to provide financial assistance to children and youth, who due to their financial circumstances, are unable to participate in registered recreation activities.
- Over 2,000 people attended the 2005 Festival of Music and Lights in Bowring at the Duck Pond.
- 1,945 seniors participated in the 50 Plus Community program.
- The Community Development Division partnered with 184 organizations on 346 initiatives in 2005.

### Active Schools St. John's

The Department of Recreation in its concern for the high levels of obesity and physical inactivity in children, took a lead role in initiating a school-based program to address this issue. In partnership with the Eastern School District, a pilot project titled "Active Schools St. John's" was launched in April 2005 in three Grade 4 classrooms. The Department developed resource materials and a training program for teachers to provide students with 20 minutes of physical activity, above and beyond what they would receive in physical education classes. The Program was monitored by Recreation staff, who assisted the teachers throughout the pilot period.

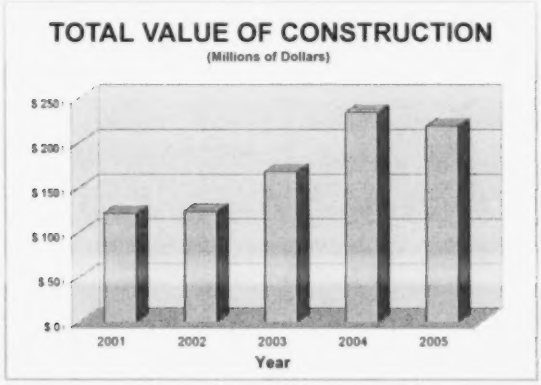
# An Energized Economy

Through the Department of Economic Development, Tourism, and Culture the City works with partners in industry and government to promote and advance St. John's as a choice location to visit, do business and explore culture.

In 2005, St. John's was ranked as the best city for doing business by Canadian Business Magazine. The annual ranking evaluated 40 regions across Canada, and was based on five factors reflecting socio-economic health, such as the variable operating costs of doing business and the cost of living.

The City of St. John's approved 165 new businesses in 2005. The number of business occupancies recorded by the City reached 3,654, of which 357 were classified as home-based businesses and 572 were located in the downtown.

Capital investment remained strong throughout 2005 with a total of 4,659 building permits issued by the City totaling over $218 million.




## Major Projects 2005
**Over $2 million**

| | |
|---|---|
| **Aliant Telecom**, 314 Brookfield Rd. | 2.0 |
| **Bonaventure Place** condos | 6.9 |
| **City Depot**, 216 Blackmarsh Road | 2.7 |
| **Dominion** extension, 55 Stavanger Dr. | 4.5 |
| **Harbour Clean-up**, Southside Rd. | 13.1 |
| **PF Collins**, 275 East White Hills Rd. | 4.5 |
| **Sobey's**, Kelsey Dr. | 3.1 |
| **Terra Nova Motors**, 595 Kenmount Rd. | 5.2 |
| **Water Treatment**, Airport Hgts. Dr. | 27.4 |
| **Water Treatment**, Southern Shore Highway | 4.1 |

## Ocean Technology Speaker Series

**The City has adopted a strategic marketing plan for economic development in St. John's, marketing St. John's as the Centre of Ocean Excellence. The Ocean Technology Speaker Series is one means to achieve public awareness and provide education and knowledge about St. John's strengths and opportunities related to the ocean. In partnership with OceansAdvance Inc. this initiative showcases local expertise in ocean-related technologies, research and development, and business.**

# Tourism Times

St. John's boasted another successful tourism season in 2005. The City played host to a total of 1,207,800 visitors who spent $279.7 million throughout the local economy. The number of individuals to the St. John's Visitor Information Centre located at 348 Water Street increased 7 percent to 9,850 during the peak season (June to September). The cruise market performed extremely well contributing $2.4 million to the local economy, up 57 percent over 2004. In addition, St. John's hoteliers sold a record number of rooms in 2005.

Conventions made a significant contribution to tourism activity in 2005. For example, in June, the City of St. John's hosted the Federation of Canadian Municipalities (FCM) 68th Annual Conference and Municipal Expo. This was the largest FCM conference in the history of the organization. The event was attended by 2,915 people, comprised of delegates, companions, trade show participants, officials and guests. The economic impact of this conference alone was $3.7 million.

## St. John's Cruise Ship Volunteer Ambassador Program

The St. John's Cruise Ship Ambassador Program was first introduced by the City of St. John's in 2002, comprised of 16 volunteers who assisted the Cruise St. John's Committee in welcoming cruise visitors to port. Over the last four years the program has expanded to include 35 volunteers whose duties have grown to include meeting and greeting cruise visitors, assisting with conference information desks, airport welcomes and special events. During 2005, the St. John's Ambassadors played a key role in the Federation of Canadian Municipalities Conference.

The ongoing success of the Program can be attributed to the many volunteers who give freely of their time and expertise combined with the ongoing support of the St. John's Port Authority, Fairmont Newfoundland Hotel and Downtown Development Commission. The program has received excellent feedback from cruise passengers, cruise lines, conference organizers and special event planners.

# Art in the City

## City as Canvas Program

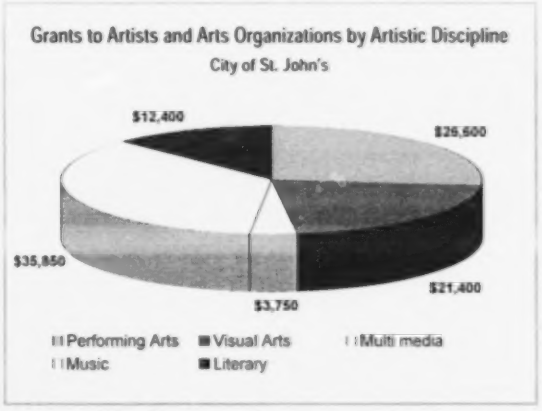
Since 2002 the City has been creating or restoring murals. In 2005 the City of St. John's attempted the most challenging site yet, the Blackhead Road retaining wall which leads to Shea Heights and Cape Spear. Cape Spear and Shea Heights are recognized in the design. Working closely with the Shea Heights community and City of St. John's staff, artists Derek Holmes and April Norman completed the mural in July.

### Metroverse

St. John's was pleased to be the host of the Canada Council for the Arts board meeting. Chair of the Board, Karen Kain announced the launch of the next series of MetroVerse, a project funded by the Canada Council for the Arts and supported locally by Metrobus, the City of St. John's, and the Writers Alliance of Newfoundland and Labrador. The project displays poems by St. John's poets on city buses.

## Grants to Artists

The City of St. John's was pleased that five local artists agreed to volunteer, along with staff and City Councillors, to serve on the Arts Jury for the Grants to Artists Program. In 2005 City Council approved the Jury's recommendation to raise the fund from $.75 per capita to $1.00 per capita for a total of $100,000.



# Employing Success

Chris Pitcher

Joe Sampson

As one of the largest employers in the region, the City of St. John's continually strives to provide a positive work environment that both challenges and rewards its employees.

In 2005, two employees received the *Outstanding Service Award* for excellence in leadership, appreciation of people, innovation, and service delivery. Chris Pitcher, Department of Engineering, was recognized for his outstanding contribution to the organizing of over 150 volunteers for the Federation of Canadian Municipalities conference. Joe Sampson, Department of Planning, was recognized for undertaking all assignments in a professional manner and innovation in improving methods to deal with tasks. In addition, 157 service pins were presented to City staff who had between 10 and 35 years of service.

In keeping with the City's strategic goal of service excellence, the City continues to offer an internal training program, *Service Excellence,* which is available to all employees throughout the organization.

A combined total of 113 different employee development programs, exclusive of educational assistance, were attended by 2,200 staff in 2005.

## Disability Management

The City's Disability Management Program was recognized by the National Institute of Disability Management and Research and was awarded the International Disability Management Standards Council (IDMSC) certification on September 12, 2005.
St. John's became the first municipality and only the second organization in Canada to receive this prestigious certification. The purpose of the Disability Management Program is to promote recovery from disability (injury/illness) through early intervention and active case management along with opportunities for early and safe return to work. Effective reintegration of employees through disability management has been shown to minimize the loss of expertise and productivity for the City.

# Report from the Director of Finance and City Treasurer

To the Citizens of St. John's:

I am pleased to present the consolidated financial statements for the City of St. John's for the year ended December 31, 2005. These statements have been prepared in compliance with generally accepted accounting standards for local governments in Canada as approved by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. They include the operations of the St. John's Transportation Commission, St. John's Sports & Entertainment Ltd. and the City of St. John's Non-Profit Housing Division along with the primary operations of the City.

The consolidated financial statements include the consolidated statement of financial position as at December 31, 2005 and the consolidated statements of operations and deficit and cash flows for the year ended December 31, 2005. Notes to the consolidated financial statements are an integral part of the statements while supporting schedules provide additional, more detailed, information.

**Results of Operations**

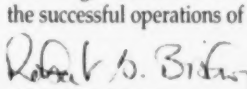
The operations of the City for 2005 resulted in a net over-expenditure of approximately $3,179,000 on revenue of $159,473,000, a variance of approximately 2%. This over-expenditure is attributable primarily to (a) the unfavourable conclusion of a long-running court case over certain commercial capital assessments; (b) increased capital out of revenue costs as tendered costs on some projects were higher than estimated (c) increasing fuel costs for heating oil and for fleet operations throughout the City; and (d) the substantial deficit on operations of St. John's Sports & Entertainment Ltd., incurred mainly in the five months ended May 31, 2005 with the departure of the American Hockey League from Mile One Stadium.

In addition to the deficit on operations, current accounting standards also require the recording of expenses related to employee future benefits, although there is no requirement that these costs be funded until the costs are actually incurred. These expenses while unfunded, are reflected in our Consolidated Statement of Operations and Deficit and, on a cumulative basis, in the Consolidated Statement of Financial Position as Employee Future Benefits. The breakdown of the City's deficit is provided in Note 15 to the Consolidated Financial Statements which shows the accumulated deficit from operations at $1,919,744.

**Other Highlights**

The City completed substantial capital projects in 2005, with total expenditures in excess of $62,000,000 compared to approximately $42,000,000 in 2004. The major expenditures in 2005 related to the new Windsor Lake Water Treatment Plant and the Harbour Clean-Up Project. Both these projects, as well as a significant portion of the work done on streets and other water and sewer work, are being financing by borrowing in accordance with the City's Long Term Debt Policy. This requires that either the cost of a project be cost shared to at least 50% of the cost, which is the case with most of these expenditures, or that a dedicated revenue source be available to cover the increased debt service costs, which is the case for the Windsor Lake Water Treatment Plant, as well as some of the cost shared projects. This dedicated revenue source is the City's Water Tax which has been rising to cover the debt service costs related to the ongoing upgrading of the City's water and sewer systems. Our borrowing for these projects is done primarily through 20 year sinking fund bond issues, which give us a known cash flow requirement to maturity and repayment, and which have provided favourable interest rates in recent years. The City's share of the cost of the Harbour Clean-Up Project is being financed by a $20,000,000 loan from the Federally funded, Federation of Canadian Municipalities administered, Green Municipal Infrastructure Fund at very low rates, as shown in Schedule 2 of the financial statements. As a condition of this loan, the 3% cost saving between the rates charged for the GMIF funding and commercial rates must be devoted to "green" projects providing improved environmental conditions in the City. These projects commenced in 2005 and will continue throughout the 10 year term of the loan.

In closing, I would like to thank all those who contributed to the successful operations of the City in 2005.



Robert G. Bishop, C.A.
Director of Finance and City Treasurer

# Financial Reporting Responsibility

The accompanying consolidated financial statements of the City of St. John's and all supporting information in this annual report are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for municipalities and include certain estimates that reflect management's best judgements. Financial information contained throughout this annual report is consistent with these financial statements.

Management has developed and maintains an extensive system of internal control that provides reasonable assurance that all transactions are accurately recorded, that the financial statements realistically report the City's operating and financial results and that the City's assets are safeguarded. The procedures includes training and selection of qualified staff, the establishment of an organizational structure that provides a well-defined division of responsibilities, accountability for performance and communication of the City's standards of ethics and conduct.

City Council, acting through the Finance and Administration Standing Committee and the Audit Committee oversee management's responsibilities for financial reporting and internal control. The Committees meet periodically with management and the independent external auditors to satisfy themselves that management's responsibilities are properly discharged, to review the consolidated financial statement and to recommend approval of the consolidated financial statements to Council.

Deloitte & Touche LLP, Chartered Accountants, are the independent auditors appointed by the City to examine the consolidated financial statements and to provide an independent professional opinion. The auditors have had full and unrestricted access to Council to discuss their audit and their related findings as to the integrity of the financial reporting process. Their report follows.

**Deloitte**

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Canada

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Fax: (709) 576-8460
www.deloitte.ca

# Auditors' Report

To His Worship the Mayor and Councillors, City of St. John's

We have audited the consolidated statement of financial position of the City of St. John's as at December 31, 2005 and the consolidated statements of operations and deficit and cash flows for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
May 11, 2006

# City of St. John's

## Consolidated Statement of Operations and Deficit
## Year ended December 31

| | 2005 | | 2004 |
|---|---|---|---|
| | Actual | Budget (Unaudited) | Actual |
| | $ | $ | $ |
| REVENUE | | | |
| Revenue - Schedule 4 | | | |
| Taxation | **95,697,458** | 94,684,670 | 92,632,892 |
| Government grants | **12,321,671** | 12,502,910 | 12,518,563 |
| Sales of goods and services | **23,588,413** | 22,838,920 | 21,666,184 |
| Other revenue from own sources | **6,860,467** | 6,466,800 | 7,480,069 |
| Grants in lieu of taxes | **3,488,837** | 3,470,000 | 3,507,394 |
| Urban living non-profit housing | **3,739,842** | 3,788,200 | 3,809,085 |
| St. John's Transportation Commission | **5,600,904** | 5,481,070 | 5,044,551 |
| St. John's Sports & Entertainment Ltd. | **8,174,968** | 9,576,585 | 7,377,756 |
| | **159,472,560** | 158,809,155 | 154,036,494 |
| EXPENDITURE | | | |
| Expenditure - Schedule 5 | | | |
| General government services | **22,568,443** | 21,989,280 | 21,018,145 |
| Fiscal services | **21,177,643** | 22,099,760 | 20,719,855 |
| Transportation services | **22,876,980** | 24,005,940 | 23,403,558 |
| Protective services | **20,420,664** | 19,826,770 | 18,735,473 |
| Environmental health services | **16,861,332** | 16,853,560 | 16,649,851 |
| Recreation and cultural services | **11,749,903** | 11,051,320 | 10,587,111 |
| Environmental development services | **3,572,943** | 3,522,780 | 3,483,856 |
| Transfers to reserves | **16,997,386** | 13,629,770 | 15,963,467 |
| Urban living non-profit housing | **3,868,221** | 3,796,550 | 3,896,000 |
| St. John's Transportation Commission | **11,662,048** | 11,465,190 | 10,622,373 |
| St. John's Sports & Entertainment Ltd. | **10,895,890** | 10,032,482 | 9,194,141 |
| | **162,651,453** | 158,273,402 | 154,273,830 |
| EXCESS OF REVENUE OVER EXPENDITURE (EXPENDITURE OVER REVENUE) BEFORE UNDERNOTED ITEM | **(3,178,893)** | 535,753 | (237,336) |
| Increase in employee future benefit and accrued pension benefits | **6,250,947** | - | 11,256,533 |
| EXCESS OF EXPENDITURE OVER REVENUE | **(9,429,840)** | 535,753 | (11,493,869) |
| DEFICIT, BEGINNING OF YEAR | **(52,202,547)** | - | (40,708,678) |
| DEFICIT, END OF YEAR | **(61,632,387)** | 535,753 | (52,202,547) |

# City of St. John's

## Consolidated Statement of Financial Position
## December 31

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| **ASSETS** | | |
| CURRENT | | |
| Receivables (Note 2) | **16,002,438** | 16,889,693 |
| Inventories of materials and supplies | **2,372,585** | 2,593,781 |
| Prepaid expenditures | **1,307,464** | 1,205,643 |
| Restricted cash deposits (Note 3) | **715,834** | 527,686 |
| | **20,398,321** | 21,216,803 |
| PROPERTY AND EQUIPMENT (Note 4) | **619,622,519** | 559,808,452 |
| INVESTMENTS IN RENTAL HOUSING PROJECTS | **494,666** | 514,975 |
| UNAMORTIZED BOND DISCOUNT | **120,199** | 147,316 |
| ASSESSMENTS RECEIVABLE | **1,898,528** | 1,915,753 |
| REPLACEMENT RESERVE FUND (Note 5) | **372,917** | 268,015 |
| | **642,907,150** | 583,871,314 |
| **LIABILITIES** | | |
| CURRENT | | |
| Bank indebtedness | **1,100,904** | 4,613,373 |
| Payables and accruals (Note 6) | **26,552,551** | 20,614,739 |
| Current portion of deferred grants (Note 7) | **2,554,548** | 2,721,931 |
| Current portion of debenture and long-term debt (Notes 8 & 9) | **8,792,390** | 7,158,929 |
| | **39,000,393** | 35,108,972 |
| DEFERRED GRANTS (Note 7) | **49,899,037** | 44,959,412 |
| DEBENTURE DEBT (Note 8) | **72,483,489** | 69,975,523 |
| LONG-TERM DEBT (Note 9) | **40,110,860** | 23,349,233 |
| ACCRUED SEVERANCE PAY | **6,732,440** | 6,597,365 |
| ACCRUED PENSION BENEFITS (Note 10) | **8,776,955** | 6,995,718 |
| EMPLOYEE FUTURE BENEFITS (Note 11) | **44,203,248** | 39,733,538 |
| ASSESSMENT CREDITS | **1,898,528** | 1,915,753 |
| TRUST FUNDS PAYABLE | **260,284** | 205,540 |
| | **263,365,234** | 228,841,054 |
| CONTINGENCIES AND COMMITMENTS (Note 17) | | |
| **EQUITY** | | |
| Investment in capital assets (Note 13) | **333,391,347** | 309,271,400 |
| Contributed surplus (Note 14) | **71,337,820** | 66,503,001 |
| Reserves (Note 12) | **36,445,136** | 31,458,406 |
| Deficit (Note 15) | **(61,632,387)** | (52,202,547) |
| | **379,541,916** | 355,030,260 |
| | **642,907,150** | 583,871,314 |

ON BEHALF OF THE COUNCIL:

Mayor

Director of Finance and City Treasurer

# City of St. John's

## Consolidated Statement of Cash Flows
Year ended December 31

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| OPERATING ACTIVITIES | | |
| Excess of expenditure over revenue | (9,429,840) | (11,493,869) |
| Adjustments for: | | |
| Accrued pension benefits | 1,781,237 | 6,538,199 |
| Employee future benefits | 4,469,710 | 4,718,334 |
| Accrued severance pay | 135,075 | (131,750) |
| Loss on disposal of property and equipment | 2,246,652 | 4,045,072 |
| Change in non-cash operating working capital (Note 16) | 6,944,442 | (777,128) |
| | 6,147,276 | 2,898,858 |
| FINANCING ACTIVITIES | | |
| Increase in deferred grants | 4,772,241 | 6,928,204 |
| Proceeds from debenture debt | 18,000,000 | 25,000,000 |
| Proceeds from long-term debt | 20,197,000 | 308,000 |
| Repayment of | | |
| Debenture debt | (15,386,366) | (16,535,180) |
| Long-term debt | (1,907,580) | (1,945,038) |
| Increase in equity accounts | | |
| Reserves (Note 12) | 4,986,730 | 606,085 |
| Investment in capital assets (Note 13) | 24,119,947 | 27,066,647 |
| Contributed surplus (Note 14) | 4,834,819 | 5,912,280 |
| Other | (23,040) | 19,521 |
| Increase in bank indebtedness | (3,512,469) | (8,221,526) |
| | 56,081,282 | 39,138,993 |
| INVESTING ACTIVITIES | | |
| Purchase of property and equipment (Schedule 6) | (62,060,719) | (42,171,317) |
| Investment in rental housing projects | 20,309 | 19,041 |
| | (62,040,410) | (42,152,276) |
| NET INCREASE (DECREASE) IN CASH RESOURCES | 188,148 | (114,425) |
| RESTRICTED CASH DEPOSITS, BEGINNING OF YEAR | 527,686 | 642,111 |
| RESTRICTED CASH DEPOSITS, END OF YEAR | 715,834 | 527,686 |

# City of St. John's

Notes to the Consolidated Financial Statements
December 31, 2005

## 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

***Basis of consolidation***
The consolidated financial statements include all the fund accounts of the City, the St. John's Transportation Commission and St. John's Sports & Entertainment Ltd., which are wholly-owned and operated by the City. St. John's Sports & Entertainment Ltd. has a fiscal year end of May 31st, therefore these financial statements include the audited accounts of that operation for the five months ended May 31, 2005 as well as the accounts for the seven months ended December 31, 2005. Inter-fund balances have been eliminated for consolidation.

***Revenue recognition***
Revenues are recognized as earned and when collection is reasonably assured. Property tax billings are prepared by the City based on the assessed values of all properties in the City. The tax rates are approved annually by Council.

***Cash and cash equivalents***
Cash and cash equivalents include cash on hand, balances with banks (net of overdrafts) and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

***Inventories***
Inventories of material and supplies are carried at the lower of cost and net realizable value.

***Property and equipment***
Property and equipment are recorded at cost. Funds received through cost sharing arrangements or capital grants are treated as additions to contributed surplus or investment in capital assets.

The City does not record the value of lands and service installations by developers in subdivisions vested in the City under the City of St. John's Act.

Except for property and equipment owned by St. John's Sports & Entertainment Ltd., the City does not record depreciation, but an amount equal to annual debt repayment is charged to operations and credited to investment in capital assets.

***Investments in rental housing projects***
Investments in rental housing projects are recorded at cost.

***Bond discounts***
Bond discounts are amortized in the revenue fund over the term of the bond issue.

**SIGNIFICANT ACCOUNTING POLICIES** ***(continued)***

***Assessments***
Assessments for water and sewer installations and street improvements are recorded on the accrual basis in the capital and loan fund. Assessments, when received, are recorded as a contribution to the revenue fund.

***Sinking funds***
Sinking funds established for the retirement of debentures are held and administered by Royal Trust Company and accounted for in the City's records on a cash basis.

***Reserve for harbour clean-up***
The City has established a reserve to hold funds provided for the clean-up of St. John's harbour. Commencing in 1998, a portion of the water tax billings imposed on users is being allocated to the reserve. These funds are being used to finance the capital works undertaken to improve environmental conditions in the harbour.

***Reserve for landfill capital improvements***
The City has established a reserve for landfill capital improvements to accumulate the net revenue received from users of the Robin Hood Bay landfill site. These funds are being used to finance future capital works undertaken at the landfill site.

***Reserve for water treatment facility***
The City has established a reserve to hold funds provided for a new water treatment facility. Commencing in 2002, a portion of the water tax billings imposed on users is being allocated to the reserve. These funds are to be used to finance the capital works undertaken to build new water treatment facilities and enhancements to existing facilities.

***Reserve for snow and ice management***
The City has established a snow and ice management reserve to accumulate funds to be used in years of severe winter conditions to alleviate the financial impact on the City's operations.

***Reserve for Civic Centre financing***
The City has established a Civic Centre financing reserve to accumulate its share of revenue received from the accommodations tax. The accommodation tax, which was legislated effective January 1, 1999, represents a three percent room levy on all fixed roof accommodations in the City of St. John's.

***Solid waste landfill closure and post-closure costs***
The liability for closure and post-closure care of the City's Robin Hood Bay landfill is recognized as the landfill site's capacity is used. Closure costs are included in annual operating costs as each section of the landfill site is filled and placed out of service. The present value of the estimated annual post-closure costs is being accrued over the remaining life of the landfill site.

**SIGNIFICANT ACCOUNTING POLICIES** ***(continued)***

***Severance pay***
The City accounts for severance pay on the accrual basis and the amount is calculated based upon accumulated unused sick leave or on years of service. The amount is payable when the employee ceases employment with the City.

***Accrued pension benefits***
The cost and obligations of pension benefits earned by employees and members of council are actuarially determined using the accrued benefit method prorated on service and management's best estimate of assumptions of future investment returns for funded plans, salary changes and retirement ages of employees. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.

The discount rate used for determining the benefit obligation is the expected rate of return on plan assets or the City's cost of borrowing.

Past service costs resulting from plan amendments are recognized at the date of amendment.

The excess of the net actuarial gain (loss) is amortized over the average remaining service period of active employees. The average remaining service period of the active employees covered by the employee plan is 15 years and for the mayor and councillors plan, 5 years.

***Employee future benefits***
The City provides post retirement benefits in the form of extended life and health coverage to employees. The cost and obligations of these benefits earned by employees are actuarially determined using the accrued benefit method prorated on service and management's best estimate of assumptions and future claim rates and costs. There is no requirement to fund these future obligations on a current basis.

***Use of estimates***
In preparing the City's financial statements in conformity with Canadian generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

## 2. RECEIVABLES

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Taxes | **7,298,196** | 9,801,354 |
| Other governments | **3,853,396** | 3,080,116 |
| Other | **4,850,846** | 4,008,223 |
| | **16,002,438** | 16,889,693 |

## 3. RESTRICTED CASH DEPOSITS

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Accommodation tax | 348,244 | 217,516 |
| Advance payments from developers | 260,283 | 205,540 |
| Urban living non-profit housing Tenants' security deposits | 107,307 | 104,630 |
| | 715,834 | 527,686 |

## 4. PROPERTY AND EQUIPMENT

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Land, buildings and permanent improvements | 456,697,681 | 401,289,929 |
| Equipment, vehicles and moveable plant | 47,280,076 | 44,395,294 |
| Fire department property | 13,885,684 | 13,406,146 |
| Urban living non-profit housing | 30,875,547 | 30,875,547 |
| St. John's Transportation Commission | 19,605,601 | 19,173,304 |
| St. John's Sports & Entertainment Ltd. | 51,277,930 | 50,668,232 |
| | 619,622,519 | 559,808,452 |

## 5. REPLACEMENT RESERVE FUND

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Urban living non-profit housing replacement reserve fund | 372,917 | 268,015 |

The City has agreements with Canada Mortgage and Housing Corporation and Newfoundland and Labrador Housing Corporation which stipulates that cash be set aside for a replacement reserve fund.

## 6. PAYABLES AND ACCRUALS

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Trade | 19,756,845 | 14,039,990 |
| Deposits and prepayments | 5,144,591 | 5,082,200 |
| Accrued interest | 1,543,343 | 1,365,610 |
| Other governments | 107,772 | 126,939 |
| | 26,552,551 | 20,614,739 |

## 7. DEFERRED GRANTS

The Province of Newfoundland and Labrador has agreed to pay grants to the City as a share of water and sewer, street paving and reconstruction, and recreational facilities programs. The grants are payable by annual instalments and have maturity dates up to October 1, 2017.

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Civic Centre | **15,832,509** | 16,718,733 |
| Water and sewer projects | **35,346,227** | 29,162,014 |
| Paving | **1,143,485** | 1,599,834 |
| Other | **131,364** | 200,762 |
| | **52,453,585** | 47,681,343 |
| Less: current portion | **2,554,548** | 2,721,931 |
| | **49,899,037** | 44,959,412 |

## 8. DEBENTURE DEBT

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Debentures outstanding | **130,740,000** | 114,342,000 |
| Less: debt charges recoverable from the Province of Newfoundland and Labrador | **29,966,914** | 22,472,742 |
| Less: sinking funds available | **24,937,224** | 18,647,030 |
| | **75,835,862** | 73,222,228 |
| Less: current portion | **3,352,373** | 3,246,705 |
| | **72,483,489** | 69,975,523 |

The annual requirements over the next five years relating to scheduled sinking funds less debt charges recoverable from the Province of Newfoundland and Labrador ("the Province") are as follows:

| | Scheduled Sinking Fund Requirements | Province of Newfoundland & Labrador | Net Amount |
|---|---|---|---|
| | $ | $ | $ |
| 2006 | 4,172,500 | (820,127) | 3,352,373 |
| 2007 | 4,047,500 | (820,127) | 3,227,373 |
| 2008 | 4,047,500 | (820,127) | 3,227,373 |
| 2009 | 3,897,500 | (820,127) | 3,077,373 |
| 2010 | 3,722,500 | (820,127) | 2,902,373 |

**DEBENTURE DEBT** ***(continued)***

The Province's portion of cost shared loan is recorded in the accounts of the City as debt charges recoverable and deferred grants. For the next five years the amounts are as follows:

| | $ |
|---|---|
| 2006 | **1,087,645** |
| 2007 | **1,161,191** |
| 2008 | **1,239,739** |
| 2009 | **1,323,632** |
| 2010 | **1,413,233** |

## 9. LONG-TERM DEBT

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Long-term debt (Schedule 2) | **43,384,150** | 26,607,576 |
| Less: debt charges recoverable from the Province of Newfoundland and Labrador | **22,490,866** | 25,213,894 |
| | **20,893,284** | 1,393,682 |
| Mortgages - Urban living non-profit housing (Schedule 3) | **22,439,593** | 23,366,775 |
| St. John's Transportation Commission - demand loan | **2,218,000** | 2,501,000 |
| | **45,550,877** | 27,261,457 |
| Less: current portion | **5,440,017** | 3,912,224 |
| | **40,110,860** | 23,349,233 |

Annual principal repayments over the next five years relating to retirement of long-term debt are as follows:

| | Long-Term Debt | Non-Profit Housing Mortgages | St. John's Transportation Commission | Province of Newfoundland Share | Net Amount |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| 2006 | 4,797,637 | 980,141 | 2,218,000 | (2,555,761) | 5,440,017 |
| 2007 | 4,390,475 | 1,026,098 | - | (2,328,567) | 3,088,006 |
| 2008 | 4,034,490 | 1,074,236 | - | (1,977,621) | 3,131,105 |
| 2009 | 3,958,365 | 1,124,754 | - | (1,901,833) | 3,181,286 |
| 2010 | 3,796,704 | 1,177,677 | - | (1,734,714) | 3,239,667 |

The Province's portion of cost shared loans is recorded in the accounts of the City as debt charges recoverable and as deferred grants.

Mortgages of the Urban Living Non-Profit Housing Fund are secured by specific rental properties situated in St. John's and an assignment of rental income.

## 10. ACCRUED PENSION BENEFITS

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| *Accrued pension benefits* | | |
| City of St. John's - Employees | **(6,736,622)** | (5,316,571) |
| City of St. John's - Mayor and Councillors | **(2,289,400)** | (2,163,000) |
| St. John's Transportation Commission | **249,067** | 483,853 |
| | **(8,776,955)** | (6,995,718) |

***Pension plans***

The City maintains a defined benefit plan which provides pension benefits to its employees. The City also maintains a supplementary retirement arrangement for the members of Council. Both plans provide benefits based on length of service and average earnings.

Based on the actuarial valuation of the plans, completed as at December 31, 2004, the following results have been extrapolated for December 31, 2005:

**ACCRUED PENSION BENEFITS** ***(continued)***

| | Employees | Mayor and Councillors | 2005 Total | 2004 Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| *Accrued benefit obligation* | | | | |
| Balance, beginning of year | 115,539,700 | 2,077,000 | 117,616,700 | 97,563,249 |
| Current service cost | 5,746,713 | 61,500 | 5,808,213 | 5,994,890 |
| Interest cost | 8,179,505 | 133,100 | 8,312,605 | 7,230,505 |
| Benefits paid | (3,368,878) | (57,100) | (3,425,978) | (3,246,586) |
| Cost of plan amendments | 1,116,300 | - | 1,116,300 | 4,779,558 |
| Past services and FABA contributions | 242,913 | - | 242,913 | 702,002 |
| Actuarial loss (gain) | 6,952,647 | (41,200) | 6,911,447 | 4,593,082 |
| Balance, end of year | 134,408,900 | 2,173,300 | 136,582,200 | 117,616,700 |
| *Plan assets* | | | | |
| Fair value, beginning of year | 101,381,742 | - | 101,381,742 | 88,865,049 |
| Return on plan assets | 10,902,977 | - | 10,902,977 | 7,855,966 |
| Benefits paid | (3,368,878) | - | (3,368,878) | (3,195,686) |
| City contributions to plan | 4,145,222 | - | 4,145,222 | 4,222,199 |
| Past services and FABA contributions | 242,913 | - | 242,913 | 702,002 |
| Employee contributions to plan | 2,829,959 | - | 2,829,959 | 2,932,212 |
| Fair value, end of year | 116,133,935 | - | 116,133,935 | 101,381,742 |
| Funded status - deficit | 18,274,965 | 2,173,300 | 20,448,265 | 16,234,958 |
| Unamortized amounts | (11,538,343) | 116,100 | (11,422,243) | (8,755,387) |
| Accrued benefit liability | 6,736,622 | 2,289,400 | 9,026,022 | 7,479,571 |
| *Significant assumptions used* | | | | |
| Discount rate | 7.0% | 6.4% | | |
| Expected long term rate of return on plan assets | 6.4% | - | | |
| Rate of compensation increase | 4.0% | 3.0% | | |
| Average remaining service period of active employees | 15 years | 5 years | | |
| *Net benefit expense for the year* | | | | |
| Current service cost | 5,746,713 | 61,500 | 5,808,213 | 5,994,890 |
| Interest cost | 8,179,505 | 133,100 | 8,312,605 | 7,230,505 |
| Amortization of gains/losses | 584,160 | (11,100) | 573,060 | 369,133 |
| Employee contributions | (2,829,959) | - | (2,829,959) | (2,932,212) |
| Expected return on plan assets | (7,231,445) | - | (7,231,445) | (6,383,679) |
| Cost of plan amendments | 1,116,300 | - | 1,116,300 | 4,779,558 |
| Net benefit expense | 5,565,274 | 183,500 | 5,748,774 | 9,058,195 |

***St. John's Transportation Commission***

***Defined benefit pension plans***

The Commission maintains two defined benefit plans which provide pension benefits to its employees (union and non-union). The plans provide benefits based on length of service and average earnings.

Based on an actuarial valuation of the plans, completed as at December 31, 2004, the following results have been extrapolated for December 31, 2005:

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| *Accrued benefit obligation* | | |
| Balance, beginning of year | 19,621,420 | 16,676,662 |
| Current service cost | 901,925 | 771,192 |
| Interest cost | 1,284,635 | 1,088,848 |
| Benefits cost | (630,171) | (628,997) |
| Cost of plan amendments | - | 1,706,232 |
| Gain on benefit obligation | (589,656) | - |
| Participant contributions | 12,656 | 7,483 |
| Balance, end of year | 20,600,809 | 19,621,420 |
| *Plan assets* | | |
| Fair value, beginning of year | 19,736,137 | 18,460,902 |
| Return on plan assets | 2,120,044 | 1,257,236 |
| Benefits paid | (630,171) | (628,997) |
| Employer contributions to plan | 346,384 | 301,974 |
| Employee contributions to plan | 355,745 | 345,022 |
| | 21,928,139 | 19,736,137 |
| Funded status - surplus | 1,327,330 | 114,717 |
| Unamortized amounts | (1,078,263) | 369,136 |
| Accrued benefit asset | 249,067 | 483,853 |
| *Significant assumptions used* | | |
| Discount rate | 6.50% | 6.50% |
| Expected long-term rate of return on plan assets | 6.50% | 6.50% |
| Rate of compensation increase | 4.50% | 4.50% |
| Average remaining service period of active employees | 15 years | 15 years |

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| *Net benefit expense for the year* | | |
| Current service cost | 901,925 | 771,192 |
| Interest cost | 1,293,635 | 1,088,848 |
| Amortization of gains/losses | 22,884 | 26,888 |
| Cost of plan amendments | - | 1,706,232 |
| Employee contributions | (343,088) | (337,539) |
| Expected return on plan assets | (1,285,187) | (1,200,544) |
| Net benefit expense | 590,169 | 2,055,077 |

## 11. EMPLOYEE FUTURE BENEFITS

Both the City and the Transportation Commission provide post-retirement health and life benefits to their employees. Based on the actuarial valuation of the plan, completed as at December 31, 2004 and extrapolated to December 31, 2005, the following results were obtained:

| | 2005 | | | 2004 |
|---|---|---|---|---|
| | City | Transportation Commission | Total | Total |
| | $ | $ | $ | $ |
| *Accrued benefit obligation* | | | | |
| Balance, beginning of year | 46,216,300 | 4,205,904 | 50,422,204 | 41,185,064 |
| Current service cost | 1,680,000 | 124,900 | 1,804,900 | 1,212,500 |
| Interest cost | 2,976,500 | 268,819 | 3,245,319 | 2,514,352 |
| Estimated claims and expenses | (1,097,600) | (136,100) | (1,233,700) | (1,146,300) |
| Plan amendment in respect of union members | - | (613,355) | (613,355) | 1,774,078 |
| Actuarial loss on benefit obligation | 7,688,800 | 708,020 | 8,396,820 | 4,882,510 |
| Balance, end of year | 57,464,000 | 4,558,188 | 62,022,188 | 50,422,204 |
| Deficit | (57,464,000) | (4,558,188) | (62,022,188) | (50,422,204) |
| Unamortized amounts | 17,270,800 | 548,140 | 17,818,940 | 10,688,666 |
| Accrued benefit liability | (40,193,200) | (4,010,048) | (44,203,248) | (39,733,538) |

**EMPLOYEE FUTURE BENEFITS** *(continued)*

| | 2005 | | | 2004 |
|---|---|---|---|---|
| | City | Transportation Commission | Total | Total |
| *Significant assumptions used* | | | | |
| Discount rate | 6.40% | 6.40% | | |
| Average remaining service period of active employees | 15 years | 15 years | | |
| | $ | $ | $ | $ |
| *Net benefit expense for the year* | | | | |
| Current service cost | 1,680,000 | 124,900 | 1,804,900 | 1,212,500 |
| Cost of plan amendments | - | (613,355) | (613,355) | 1,774,078 |
| Recognition of unamortized losses | - | 613,355 | 613,355 | - |
| Amortization of actuarial gains/losses | 620,800 | 32,391 | 653,191 | 363,704 |
| Interest cost | 2,976,500 | 268,819 | 3,245,319 | 2,514,352 |
| Net benefit expense | 5,277,300 | 426,110 | 5,703,410 | 5,864,634 |

## 12. RESERVES

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Sinking fund - reserve for retirement of debentures | 24,937,224 | 18,647,030 |
| Reserve for harbour clean-up | 2,238,368 | 4,697,966 |
| Reserve for landfill capital improvements | 6,173,013 | 5,434,450 |
| Urban living non-profit housing - replacement reserve | 372,917 | 268,015 |
| Reserve for snow and ice management | 2,000,000 | 1,900,000 |
| Reserve for Civic Centre financing | 371,045 | 334,854 |
| Reserve for capital | 277,658 | 147,810 |
| Reserve for salt savings | 37,330 | - |
| Reserve for uncashed coupons | 18,192 | 10,159 |
| Reserve for Robin Hood Bay post-closure costs | 19,389 | 18,122 |
| | 36,445,136 | 31,458,406 |

## 13. INVESTMENT IN CAPITAL ASSETS

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Balance, beginning of year | **309,271,400** | 282,204,753 |
| Add: Contributions from revenue fund for | | |
| Capital expenditure out of revenue | **1,548,612** | 1,931,886 |
| Contribution for capital works program | **11,967,079** | 11,113,461 |
| Loan repayments | **4,759,201** | 4,824,744 |
| Contribution from sinking fund for debentures | **1,602,000** | 6,268,000 |
| Contribution from reserve - harbour clean-up | **4,165,663** | 3,025,914 |
| Contribution from reserve - water treatment | **2,236,718** | 2,135,391 |
| Contribution re: Clovelly | **-** | 5,663 |
| Net assessments raised | **619,053** | 389,126 |
| Interest on assessments | **32,098** | 62,204 |
| Land sales | **265,385** | 222,569 |
| | **336,467,209** | 312,183,711 |
| Deduct: Contribution to revenue fund from water, sewer and street improvements | **651,150** | 451,330 |
| Disposal of property and equipment | **2,424,712** | 2,460,981 |
| Balance, end of year | **333,391,347** | 309,271,400 |

## 14. CONTRIBUTED SURPLUS

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Balance, beginning of year | **66,503,011** | 60,590,721 |
| Contributions from: Government of Canada | **4,095,808** | 4,473,561 |
| Contributions from: Other | **739,001** | 1,438,719 |
| Balance, end of year | **71,337,820** | 66,503,001 |

## 15. DEFICIT

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Surplus (deficit) arising from | | |
| Operations | **(1,919,744)** | 1,124,074 |
| Accrued pension benefits | **(8,776,955)** | (6,995,718) |
| Employee future benefits | **(44,203,248)** | (39,733,538) |
| Severance pay accruals | **(6,732,440)** | (6,597,365) |
| | **(61,632,387)** | (52,202,547) |

The deficit includes a provision for severance pay, payable to certain employees upon cessation of employment or retirement.

## 16. SUPPLEMENTARY CASH FLOW INFORMATION

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| Change in non-cash operating working capital: | | |
| Receivables | **887,255** | (1,190,598) |
| Inventories of materials and supplies | **221,196** | 201,784 |
| Prepaid expenditures | **(101,821)** | (369,991) |
| Payables and accruals | **5,937,812** | 581,677 |
| | **6,944,442** | (777,128) |
| Interest paid | **13,991,243** | 10,980,284 |

## 17. CONTINGENCIES AND COMMITMENTS

***Expropriation and other claims***

The City has received notices of claims of approximately $1,688,680. No provision has been made for these claims either because the City is not expected to incur any significant liability, or because an estimate of loss, if any, is not determinable at this time.

St. John's Transportation Commission is contingently liable for claims below $50,000 which are not covered under its current insurance policy. At December 31, 2005 a provision of approximately $379,000 has been recorded as a result of known claims.

Furthermore, the Commission is involved in a dispute with a supplier of communication equipment. A claim was received in July 2002 for $430,000. Management believes they have adequately provided for any potential costs.

***Lease commitments***

Under the terms of long-term operating leases on equipment, the City is required to make annual lease payments for the next five years as follows:

| | $ |
|---|---|
| 2006 | **1,494,864** |
| 2007 | **394,242** |
| 2008 | **223,933** |
| 2009 | **223,933** |
| 2010 | **223,933** |

***Retirement benefits***

The City provides a benefit to certain employees based upon the employee's length of service with the City. This benefit is payable only upon retirement. At December 31, 2005, the City is contingently liable for these benefits to a maximum of $7,030,244.

## CONTINGENCIES AND COMMITMENTS *(continued)*

***Greenbelt Tennis Club***
The City has guaranteed a loan of $150,000 for the replacement of an air supported structure.

## 18. FINANCIAL INSTRUMENTS

Fair values of financial instruments are disclosed in the notes to the financial statements when they differ from the carrying amounts. Where amounts receivable and payable are subject to normal credit terms, their carrying amount is used as an approximation of their fair values.

# City of St. John's

Schedule of Debenture Debt
December 31, 2005

## SCHEDULE 1

| Date of Maturity | Interest Rate | Amount Issued | Amount Outstanding | 2005 Sinking Funds Available | 2005 Current Portion due in 2006 | 2004 Sinking Funds Available | 2004 Current Portion due in 2005 |
|---|---|---|---|---|---|---|---|
| | | $ | $ | **$** | **$** | $ | $ |
| Dec. 2005 | 11.250% | 5,000,000 | 30,000 | **41,781** | **-** | 882,159 | - |
| Dec. 2006 | 10.500% | 6,000,000 | 1,534,000 | **1,554,335** | **-** | 1,583,924 | - |
| Dec. 2007 | 6.150% | 10,000,000 | 375,000 | **25,253** | **125,000** | 23,668 | 250,000 |
| Dec. 2008 | 11.125% | 6,000,000 | 2,915,000 | **1,732,761** | **150,000** | 1,150,366 | 150,000 |
| Dec. 2009 | 10.500% | 7,000,000 | 2,374,000 | **1,224,061** | **175,000** | 516,238 | 175,000 |
| Nov. 2011 | 6.150% | 9,012,000 | 9,012,000 | **5,480,319** | **710,000** | 4,486,746 | 710,000 |
| Jun. 2012 | 10.875% | 14,000,000 | 11,000,000 | **1,812,846** | **350,000** | 1,209,459 | 350,000 |
| Sep. 2013 | 9.160% | 9,000,000 | 6,000,000 | **1,953,549** | **225,000** | 1,620,176 | 225,000 |
| Oct. 2015 | 9.400% | 5,000,000 | 5,000,000 | **1,188,833** | **125,000** | 796,370 | 125,000 |
| Dec. 2020 | 6.840% | 7,000,000 | 7,000,000 | **2,370,263** | **175,000** | 1,806,014 | 175,000 |
| Dec. 2021 | 7.380% | 15,000,000 | 15,000,000 | **1,699,249** | **375,000** | 1,195,307 | 375,000 |
| Apr. 2022 | 7.250% | 16,500,000 | 16,500,000 | **3,239,036** | **412,500** | 2,362,033 | 412,500 |
| Feb. 2023 | 6.680% | 11,000,000 | 11,000,000 | **1,043,645** | **275,000** | 604,848 | 275,000 |
| Feb. 2024 | 6.162% | 25,000,000 | 25,000,000 | **1,258,224** | **625,000** | 409,722 | 625,000 |
| June 2025 | 5.534% | 18,000,000 | 18,000,000 | **313,070** | **450,000** | - | - |
| | | 163,512,000 | 130,740,000 | **24,937,225** | **4,172,500** | 18,647,030 | 3,847,500 |

For the debenture debt that matures in 2022, 2023, 2024 and 2025 there is debt recoverable from the Province of Newfoundland and Labrador for $5,118,666, $6,961,142, $10,392,934 and $8,581,817 respectively.

# City of St. John's

Schedule of Long-Term Debt
December 31, 2005

## SCHEDULE 2

| | Date of Maturity | Interest Rate | Amount Issued | 2005 Amount Outstanding | 2005 Current Portion due in 2006 | 2004 Amount Outstanding | 2004 Current Portion due in 2005 |
|---|---|---|---|---|---|---|---|
| | | | $ | $ | $ | $ | $ |
| CANADA MORTGAGE AND HOUSING CORPORATION | | | | | | | |
| Waterford Valley trunk sewer | Jan. 2006 | 5.125% | 612,371 | **34,817** | **34,817** | 67,916 | 33,099 |
| Mundy Pond trunk sewer | Jan. 2008 | 5.875% | 78,830 | **13,946** | **4,382** | 18,081 | 4,136 |
| Virginia Park trunk sewer | Apr. 2013 | 7.500% | 104,408 | **49,055** | **4,672** | 53,395 | 4,341 |
| Virginia Park trunk sewer | Mar. 2014 | 7.875% | 157,908 | **82,886** | **6,629** | 89,022 | 6,136 |
| Rennies River trunk sewer | Oct. 2014 | 10.375% | 1,011,991 | **655,417** | **39,872** | 691,453 | 36,036 |
| Rennies River trunk sewer | Oct. 2016 | 9.750% | 681,350 | **474,490** | **22,205** | 494,679 | 20,189 |
| Mundy Pond neighbourhood improvement program | Jan. 2006 | 10.375% | 1,155,885 | **5,548** | **1,605** | 6,999 | 1,451 |
| Wedgewood Park water and sewer | Jan. 2017 | 7.875% | 12,410 | **7,856** | **413** | 8,238 | 1,255 |
| Goulds water and sewer | Jul. 2007 | 10.000% | 97,449 | **18,927** | **9,003** | 27,093 | 7,293 |
| FEDERATION OF CANADIAN MUNICIPALITIES | | | | | | | |
| Harbour Sewage Treatment Plant | Aug. 2015 | 2.450% | 15,000,000 | **15,000,000** | **1,500,000** | - | - |
| Harbour Sewage Treatment Plant | Dec. 2015 | 2.660% | 5,000,000 | **5,000,000** | **500,000** | - | - |
| NEWFOUNDLAND MUNICIPAL FINANCING CORPORATION | | | | | | | |
| Airport Heights - Phase 1A | Nov. 2005 | 14.500% | 3,162,759 | - | - | 243,642 | 243,642 |
| Kilbride water and sewer | Dec. 2005 | 13.875% | 318,068 | - | - | 46,092 | 46,092 |
| Airport Heights - Phase 1B | Dec. 2005 | 13.875% | 629,463 | - | - | 91,218 | 91,218 |
| Airport Heights - Phase 2 | Dec. 2006 | 12.375% | 3,060,805 | **213,625** | **213,625** | 604,258 | 390,633 |
| Pentanguishene- Phase 1 | May 2007 | 11.500% | 2,210,465 | **419,774** | **271,958** | 662,961 | 243,187 |
| Pentanguishene- Phase 2 | Dec. 2007 | 10.875% | 1,762,291 | **422,697** | **200,168** | 602,753 | 180,055 |
| 1992 Airport Heights Phase 3 | May 2004 | 10.625% | 1,181,128 | **455,382** | **113,744** | 557,940 | 102,558 |

# City of St. John's

Schedule of Long-Term Debt
December 31, 2005

## SCHEDULE 2 (continued)

| | Date of Maturity | Interest Rate | Amount Issued | 2005 Amount Outstanding | 2005 Current Portion due in 2006 | 2004 Amount Outstanding | 2004 Current Portion due in 2005 |
|---|---|---|---|---|---|---|---|
| | | | $ | $ | $ | $ | $ |
| NEWFOUNDLAND MUNICIPAL FINANCING CORPORATION | | | | | | | |
| 1994 street paving | Feb. 2006 | 9.750% | 711,390 | **53,855** | **53,855** | 154,171 | 100,316 |
| 1995 street paving | Dec. 2006 | 8.375% | 405,554 | **57,069** | **57,069** | 109,642 | 52,573 |
| 1993 Airport Heights Phase 4 | Dec. 2009 | 11.500% | 1,070,242 | **474,665** | **99,563** | 563,695 | 89,030 |
| Goulds water and sewer | Jun. 2006 | 12.375% | 451,615 | **31,520** | **31,520** | 89,157 | 57,637 |
| 1991 studies | May 2010 | 10.875% | 201,165 | **95,827** | **17,535** | 111,600 | 15,773 |
| 1991 studies B | Feb. 2011 | 9.750% | 46,373 | **24,865** | **3,609** | 28,146 | 3,281 |
| 1991 studies C | Feb. 2006 | 9.750% | 21,804 | **1,651** | **1,651** | 4,725 | 3,075 |
| 1997 streets | Jan. 2009 | 7.500% | 165,603 | **72,193** | **18,765** | 89,626 | 17,433 |
| 1998 streets A | Dec. 2009 | 8.375% | 264,132 | **132,011** | **29,059** | 158,780 | 26,770 |
| 1998 streets B | Dec. 2009 | 8.375% | 104,868 | **52,412** | **11,537** | 63,041 | 10,628 |
| 1998 Retaining Wall | Dec. 2009 | 8.375% | 31,942 | **15,965** | **3,514** | 19,202 | 3,237 |
| 1998 Bridge Rehabilitation | Sep. 2010 | 8.125% | 189,044 | **113,097** | **19,167** | 130,797 | 17,700 |
| 1998 St. John's Rec. Centre | Sep. 2010 | 8.125% | 60,361 | **36,112** | **6,120** | 41,763 | 5,652 |
| 1997 Harbour Clean-up | Jan . 2014 | 7.500% | 1,464,499 | **1,018,948** | **89,507** | 1,102,102 | 83,153 |
| 2001 Harbour Clean-up | Feb. 2014 | 7.500% | 1,448,983 | **1,008,153** | **88,559** | 1,090,425 | 82,272 |
| Higgins Line 2001 | Dec. 2014 | 8.375% | 574,858 | **423,994** | **33,181** | 454,561 | 30,568 |
| Regional Water System | Dec. 2006 | 11.625% | 525,950 | **68,834** | **68,834** | 130,314 | 61,480 |
| 1996 Capital Works | Jan. 2008 | 7.375% | 2,012,777 | **646,884** | **244,793** | 874,576 | 227,691 |
| Higgins Line 1997 | Jun. 2013 | 7.375% | 484,764 | **306,638** | **31,924** | 336,331 | 29,693 |
| Fire equipment | Sept. 2011 | 7.750% | 90,895 | **62,529** | **8,545** | 70,449 | 7,920 |
| Mile One Stadium | Sept. 2016 | 7.750% | 19,006,737 | **15,832,508** | **956,237** | 16,718,733 | 886,224 |
| | | | 65,571,137 | **43,384,150** | **4,797,637** | 26,607,576 | 3,223,427 |

# City of St. John's

Schedule of Mortgages - Urban Living Non-Profit Housing
December 31, 2005

## SCHEDULE 3

| | Date of Maturity | Interest Rate | 2005 Amount Issued | 2005 Amount Outstanding | 2004 Amount Outstanding |
|---|---|---|---|---|---|
| | | | $ | $ | $ |
| NEWFOUNDLAND AND LABRADOR HOUSING CORPORATION | | | | | |
| Hamlyn Road | Aug. 1, 2022 | 5.500% | 2,207,290 | 1,625,654 | 1,684,006 |
| Infill 1987 | Apr. 1, 2023 | 5.500% | 2,070,285 | 1,568,986 | 1,622,040 |
| Gear Street - Infill 1988 | Sept. 1, 2025 | 5.500% | 1,929,560 | 1,565,033 | 1,608,064 |
| Brookfield Road | Dec. 1, 2025 | 5.500% | 2,187,293 | 1,790,031 | 1,838,247 |
| Infill 1992 | Dec. 1, 2028 | 5.500% | 1,682,553 | 1,244,140 | 1,249,965 |
| Infill 1990 | Nov. 1, 2026 | 4.970% | 1,628,008 | 1,293,781 | 1,329,174 |
| Cochrane Street | Nov. 1, 2026 | 4.730% | 745,887 | 575,428 | 593,244 |
| Campbell Avenue | Feb. 1, 2028 | 4.700% | 968,952 | 814,069 | 834,600 |
| CANADA MORTGAGE AND HOUSING CORPORATION | | | | | |
| Rawlins Cross | Dec. 1, 2018 | 5.432% | 1,249,485 | 829,572 | 875,777 |
| Forest Road | Jan. 1, 2018 | 4.700% | 1,647,890 | 1,037,702 | 1,100,235 |
| Cuckholds Cove Road | Apr. 1, 2018 | 4.240% | 804,200 | 512,438 | 543,518 |
| Infill 1982 | Jul. 1, 2018 | 5.560% | 651,550 | 425,567 | 470,922 |
| Hamilton Avenue - Riverhead Towers | Feb. 1, 2019 | 5.500% | 3,736,230 | 2,476,915 | 2,621,871 |
| Fahey's Row - Infill 1983 | May 1, 2019 | 5.770% | 962,163 | 677,794 | 714,433 |
| Alexander Street - Hamilton Avenue | Jun. 1, 2019 | 5.770% | 1,920,998 | 1,352,839 | 1,425,375 |
| Carnell Street - Larkin Square | Jan. 1, 2020 | 6.450% | 1,910,065 | 1,402,826 | 1,474,128 |
| Goodview Street - Carter's Hill | Jan. 1, 2020 | 6.870% | 1,406,630 | 1,044,567 | 1,092,668 |
| Infill 1985 | Apr. 1, 2021 | 5.900% | 880,530 | 657,417 | 683,224 |
| Carter's Hill - Sebastian Court | Aug. 1, 2021 | 5.500% | 2,031,176 | 1,544,834 | 1,605,284 |
| | | | 30,620,745 | 22,439,593 | 23,366,775 |
| Less: current portion | | | | 980,141 | 910,825 |
| | | | | 21,459,452 | 22,455,950 |

*Mortgages are secured by specific rental properties situated in St. John's and an assignment of rental income.*

# City of St. John's

Schedule of Revenue
Year ended December 31, 2005

## SCHEDULE 4

| | 2005 | | 2004 |
|---|---|---|---|
| | Actual | Budget (Unaudited) | Actual |
| | $ | $ | $ |
| TAXATION | | | |
| Real property | **69,535,032** | 68,460,870 | 67,036,322 |
| Business | **18,953,907** | 19,670,000 | 18,498,662 |
| Utility | **5,600,620** | 5,450,000 | 5,760,410 |
| Accommodation | **1,607,899** | 1,103,800 | 1,337,498 |
| | **95,697,458** | 94,684,670 | 92,632,892 |
| GOVERNMENT GRANTS | | | |
| Government of Newfoundland and Labrador | | | |
| Municipal operating grant | **3,747,629** | 3,747,630 | 4,674,005 |
| Recovery of debt charges | **8,479,279** | 8,647,780 | 7,719,517 |
| Rental housing projects | **55,505** | 55,500 | 55,505 |
| Government of Canada | **39,258** | 52,000 | 69,536 |
| | **12,321,671** | 12,502,910 | 12,518,563 |
| SALES OF GOODS AND SERVICES | | | |
| Environmental health services | | | |
| Water tax - basic | **10,461,798** | 10,325,000 | 9,143,218 |
| - harbour clean-up | **1,702,768** | 1,663,310 | 1,615,577 |
| - water treatment facilities | **2,232,210** | 2,000,000 | 2,131,507 |
| Water sales | **2,384,041** | 2,298,000 | 2,244,167 |
| Tipping fees | **3,561,393** | 3,350,800 | 3,312,185 |
| Other | **97,001** | 92,000 | 98,489 |
| General government services | **821,840** | 782,340 | 817,490 |
| Transportation services | | | |
| Parking meters | **1,171,111** | 1,118,400 | 1,139,576 |
| Parking permits | **218,065** | 280,000 | 222,776 |
| Other | **15,931** | 14,000 | 30,412 |
| Recreation and cultural services | **805,173** | 823,640 | 782,839 |
| Other general services | **117,082** | 91,430 | 127,948 |
| | **23,588,413** | 22,838,920 | 21,666,184 |

# City of St. John's

Schedule of Revenue
Year ended December 31, 2005

## SCHEDULE 4 (continued)

| | 2005 | | 2004 |
|---|---|---|---|
| | Actual | Budget (Unaudited) | Actual |
| | $ | $ | $ |
| OTHER REVENUE FROM OWN SOURCES | | | |
| Interest on tax arrears | **1,753,346** | 1,790,000 | 1,850,150 |
| Fines | **1,782,607** | 2,224,000 | 2,036,740 |
| Construction and other permits | **2,011,816** | 1,686,100 | 2,235,554 |
| Interest earned | **225,686** | 129,500 | 312,603 |
| Business and amusement licenses | **123,127** | 112,200 | 133,425 |
| Rents, concessions and franchises | **38,292** | 25,000 | 39,383 |
| Assessments for water, sewer and street improvements | **618,746** | 300,000 | 420,026 |
| Sub-Division assessments | **306,847** | 200,000 | 452,188 |
| | **6,860,467** | 6,466,800 | 7,480,069 |
| GRANTS IN LIEU OF TAXES | | | |
| Government of Canada | **1,922,274** | 2,050,000 | 1,926,638 |
| Water Tax | **900,680** | 830,000 | 920,740 |
| Government of Canada agencies | **601,203** | 540,000 | 594,600 |
| Government of Newfoundland and Labrador agencies | **64,680** | 50,000 | 65,416 |
| | **3,488,837** | 3,470,000 | 3,507,394 |

# City of St. John's

Schedule of Expenditure
Year ended December 31, 2005

## SCHEDULE 5

| | 2005 | | 2004 |
|---|---|---|---|
| | Actual | Budget (Unaudited) | Actual |
| | $ | $ | $ |
| GENERAL GOVERNMENT SERVICES | | | |
| Legislative | **747,495** | 820,790 | 840,894 |
| General government | **14,943,892** | 14,801,220 | 15,256,573 |
| Engineering services | **3,778,707** | 3,742,190 | 3,712,722 |
| Pensions and employee benefits - current | **2,409,947** | 1,984,200 | 953,177 |
| Other general government services | **688,402** | 640,880 | 254,779 |
| | **22,568,443** | 21,989,280 | 21,018,145 |
| FISCAL SERVICES | | | |
| Debenture debt charges | | | |
| Sinking fund payments | **4,072,500** | 4,297,500 | 3,535,000 |
| Sinking fund in lieu of interest | **1,973,154** | 1,973,150 | 2,235,010 |
| Interest | **9,515,467** | 10,178,100 | 8,750,845 |
| Discounts | **27,117** | 27,120 | 31,606 |
| Other long-term debt | | | |
| Principal | **3,161,947** | 3,501,490 | 3,501,492 |
| Interest | **2,266,299** | 1,786,400 | 2,410,700 |
| Interest on temporary bank loans | **58,589** | 200,000 | 106,581 |
| Other debt charges | **102,570** | 136,000 | 148,621 |
| | **21,177,643** | 22,099,760 | 20,719,855 |
| TRANSPORTATION SERVICES | | | |
| Road transport | | | |
| Administration | **2,101,192** | 2,083,990 | 2,153,400 |
| Fleet services | **(309,760)** | - | 430,310 |
| Snow clearing | **10,017,829** | 11,033,060 | 10,067,879 |
| Streets, roads and sidewalks | **4,448,320** | 4,308,810 | 4,145,523 |
| Maintenance depot | **1,216,304** | 1,433,050 | 1,438,545 |
| Traffic services | **1,108,686** | 990,860 | 1,015,456 |
| Street cleaning | **82,447** | 101,970 | 97,172 |
| | **18,665,018** | 19,951,740 | 19,348,285 |
| Street lighting | **3,334,968** | 3,211,800 | 3,225,769 |
| Transportation handicapped | **785,374** | 750,000 | 747,446 |
| Parking meters | **91,620** | 92,400 | 82,058 |
| | **22,876,980** | 24,005,940 | 23,403,558 |

# City of St. John's

Schedule of Expenditure
Year ended December 31, 2005

## SCHEDULE 5 (continued)

| | 2005 | | 2004 |
|---|---|---|---|
| | Actual | Budget (Unaudited) | Actual |
| | $ | $ | $ |
| PROTECTIVE SERVICES | | | |
| Fire protection | **14,785,529** | 14,251,050 | 13,264,034 |
| Protective inspections | **2,734,556** | 2,732,250 | 2,667,381 |
| Traffic enforcement | **2,227,006** | 2,233,870 | 2,238,034 |
| Animal and pest control | **673,573** | 609,600 | 566,024 |
| | **20,420,664** | 19,826,770 | 18,735,473 |
| ENVIRONMENTAL HEALTH SERVICES | | | |
| Water supply and distributions | **10,504,067** | 10,429,660 | 10,428,807 |
| Garbage and waste collection and disposal | **5,920,018** | 5,911,810 | 5,767,903 |
| Sewage collection and disposal | **437,247** | 512,090 | 453,141 |
| | **16,861,332** | 16,853,560 | 16,649,851 |
| RECREATION AND CULTURAL SERVICES | | | |
| Parks and open spaces | **5,635,439** | 5,312,660 | 5,025,073 |
| Recreation | **4,363,820** | 4,412,890 | 4,256,280 |
| St. John's Memorial Stadium | **4,865** | 10,000 | 14,454 |
| Railway Coastal Museum | **153,914** | 50,000 | - |
| Avalon Convention and Visitor's Bureau | **679,651** | 450,000 | 543,729 |
| Other recreation and cultural services | **912,214** | 815,770 | 747,575 |
| | **11,749,903** | 11,051,320 | 10,587,111 |
| ENVIRONMENTAL DEVELOPMENT SERVICES | | | |
| Environmental planning and zoning | **839,771** | 738,440 | 858,553 |
| Housing and real estate | **942,322** | 922,120 | 981,192 |
| Other environmental development services | **1,790,850** | 1,862,220 | 1,644,111 |
| | **3,572,943** | 3,522,780 | 3,483,856 |
| TRANSFERS TO RESERVES | | | |
| Provision for uncollectible accounts | **2,714,212** | 1,000,000 | 1,611,447 |
| Contribution to capital fund for capital expenditures | **8,191,580** | 7,264,840 | 8,074,934 |
| Capital expenditure accounts | **1,072,757** | 687,820 | 860,453 |
| Transfer to parks and development reserve | **188,739** | 188,740 | 46,700 |
| Transfer to harbour clean-up reserve | **1,702,768** | 1,663,310 | 1,615,577 |
| Transfer to landfill capital improvements reserve | **739,831** | 700,060 | 484,298 |
| Provision for obsolete inventory | **55,289** | 25,000 | 38,551 |
| Transfer to snow and ice reserve | **100,000** | 100,000 | 1,100,000 |
| Transfer to water treatment facility reserve | **2,232,210** | 2,000,000 | 2,131,507 |
| | **16,997,386** | 13,629,770 | 15,963,467 |

# City of St. John's

Schedule of Capital Expenditures
Year ended December 31, 2005

## SCHEDULE 6

| | 2005 | 2004 |
|---|---|---|
| | $ | $ |
| LAND | | |
| Expropriation, disturbances, street widening and improvement | **576,336** | 222,569 |
| BUILDINGS | | |
| Municipal recreation facilities | **2,451,142** | 2,217,474 |
| City Hall | **739,293** | 37,534 |
| Depot | **4,206,363** | 1,778,564 |
| Fire stations | **46,825** | 2,484,541 |
| Robin Hood Bay | **5,359** | 115,578 |
| Civic Centre | **29** | (6,942) |
| STREETS | | |
| Reconstruction, paving and resurfacing, curb and sidewalks | **7,657,164** | 8,386,676 |
| Plans and studies | **171,087** | 37,535 |
| WATER AND SEWER | | |
| Water mains and sanitary sewers | **6,586,684** | 1,079,359 |
| Harbour clean-up | **11,633,458** | 11,511,975 |
| Windsor Lake treatment plant | **17,629,858** | 5,905,154 |
| Regional water reservoir | **939,142** | 4,127,892 |
| EQUIPMENT | | |
| Operating departments | **4,352,551** | 3,284,538 |
| Regional fire department | **606,559** | 508,182 |
| Regional water system | **4,025,727** | 62,649 |
| ST. JOHN'S TRANSPORTATION COMMISSION | **432,297** | 384,285 |
| ST. JOHN'S SPORTS & ENTERTAINMENT LTD. | **845** | 33,754 |
| | **62,060,719** | 42,171,317 |

# Chief Commissioner and Directors

*Back (l - r):*

Robert Bishop, *Director, Finance and City Treasurer*; Paul Mackey, *Director, Public Works & Parks*; Kevin Breen, *Director, Human Resources*

*Middle (l - r):*

Elizabeth Lawrence, *Director, Economic Development, Tourism & Culture*; Neil Martin, *Associate Commissioner / Director of Corporate Services & City Clerk*; Michael Dwyer, *Director, Regional Fire Services*; David Blackmore, *Director, Building and Property Management*; Cliff Johnson, *Director of Planning*

*Front (l - r):*

Ron Penney, *Chief Commissioner and City Solicitor*; Art Cheeseman, *Associate Commissioner / Director, Engineering*; and Jill Brewer, *Director, Recreation*

# City Council 2005

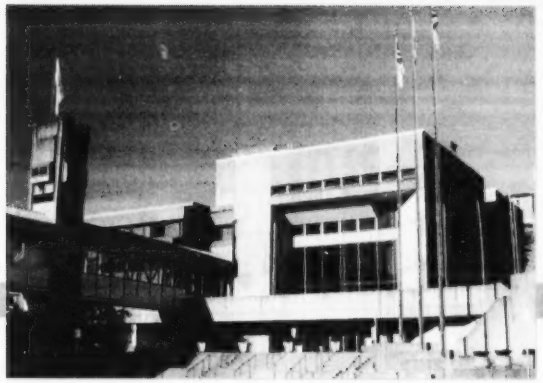
*Seated (l - r):*

Councillor Wally Collins *(Ward 5)*, Councillor Keith Coombs *(Ward 3)*, Mayor Andy Wells, Deputy-Mayor Dennis O'Keefe, Councillor Art Puddister *(Ward 1)*

*Standing (l - r):*

Councillor Frank Galgay *(Ward 2)*, Councillor Shannie Duff *(At Large)*, Councillor Sandy Hickman *(At Large)*, Councillor Ron Ellsworth *(Ward 4)*, Councillor Gerry Colbert *(At Large)*, Councillor Tom Hann *(At Large)*

# Contacting City Hall



## Mayor and Members of Council (2005)

| | | | |
|---|---|---|---|
| Mayor Andy Wells | | Tel: 576-8477 | Fax: 576-8250 |
| Councillor Art Puddister | Ward 1 | Tel: 576-2332 | Fax: 576-8474 |
| Councillor Keith Coombs | Ward 3 | Tel: 576-8643 | Fax: 576-8474 |
| Councillor Wally Collins | Ward 5 | Tel: 576-8584 | Fax: 576-8474 |
| Councillor Sandy Hickman | At Large | Tel: 576-8045 | Fax: 576-8474 |
| Councillor Gerry Colbert | At Large | Tel: 576-7689 | Fax: 576-8474 |
| Deputy Mayor Dennis O'Keefe | | Tel: 576-8567 | Fax: 576-8474 |
| Councillor Frank Galgay | Ward 2 | Tel: 576-8577 | Fax: 576-8474 |
| Councillor Ron Ellsworth | Ward 4 | Tel: 576-2383 | Fax: 576-8474 |
| Councillor Shannie Duff | At Large | Tel: 576-8583 | Fax: 576-8474 |
| Councillor Tom Hann | At Large | Tel: 576-8219 | Fax: 576-8474 |

### Frequently Called Numbers

General Inquiries / Service Requests: ..... 3-1-1
City Hall (9:00 am - 4:30 pm):..... 576-8600
After Hours/Emergency: ..... 3-1-1

### Mailing Address

City of St. John's
P.O. Box 908
St. John's, NL Canada
A1C 5M2

### Website

www.stjohns.ca

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